Barbara J Miles 03/05/2008 08:48:23 AM From DB/Inbox: Barbara J Miles

Cable Text:

UNCLAS SENSITIVE ISTANBUL 00105

SIPDIS CX:

ACTION: ECON

INFO: PA RAO FAS MGT PMA FCS POL DCM AMB CONS

DISSEMINATION: ECON /1

CHARGE: PROG

VZCZCAYO599 PP RUEHAK DE RUEHIT #0105/01 0631522 ZNR UUUUU ZZH P 031522Z MAR 08 FM AMCONSUL ISTANBUL TO RUEHC/SECSTATE WASHDC PRIORITY 7914 INFO RUEHAK/AMEMBASSY ANKARA PRIORITY 7493 RUEHTH/AMEMBASSY ATHENS PRIORITY 0850 RUEHKB/AMEMBASSY BAKU PRIORITY 0026 RUEHBW/AMEMBASSY BELGRADE PRIORITY 0050 RUEHBM/AMEMBASSY BUCHAREST PRIORITY 0153 RUEHCH/AMEMBASSY CHISINAU PRIORITY 0055 RUEHKV/AMEMBASSY KYIV PRIORITY 0015 RUEHMO/AMEMBASSY MOSCOW PRIORITY 0385 RUEHSF/AMEMBASSY SOFIA PRIORITY 0314 RUEHSI/AMEMBASSY TBILISI PRIORITY 0150 RUEHTI/AMEMBASSY TIRANA PRIORITY 0078 RUEHYE/AMEMBASSY YEREVAN PRIORITY 0090 RUEHBS/USEU BRUSSELS PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/DIA WASHDC PRIORITY RHEHAAA/WHITEHOUSE WASHDC PRIORITY

UNCLAS SECTION 01 OF 02 ISTANBUL 000105

SIPDIS

SENSITIVE SIPDIS

DEPARTMENT FOR EUR/PGI AND EUR/SE

E.O. 12958: N/A TAGS: ECIN PREL TU

SUBJECT: FEBRUARY 26-28 BSEC SENIOR OFFICIALS MEETING

- 11. (SBU) Summary. Overt expressions of political discord were notably absent from the February 26-28 meeting of the Organization of Black Sea Economic Cooperation's (BSEC) Committee of Senior Officials, despite on-going international tension surrounding Kosovo's February 17 unilateral declaration of independence. The Senior Officials meeting was held in coordination with a meeting of the BSEC Parliamentary Assembly that included the first-ever official meeting between the Turkish and Greek speakers of parliament. The BSEC senior officials reviewed the status of the Project Development Fund, agreed to a formulation for Fast Track cooperation and also discussed BSEC-EU cooperation, stability and security in the Black Sea region. Detailed discussions of BSEC's role in emergency response as well as strengthening cooperation with the Black Sea Commission on environmental protection were referred to the relevant working groups. End Summary.
- 12. (SBU) All twelve BSEC member states as well as UNDP, several observers (the U.S., Croatia, France, Poland, the European Commission) and newly approved sectoral dialog partner Hungary were represented at the February 26-28 meeting of the BSEC Committee of Senior Officials. Unlike previous meetings where delegations exchanged sharp comments related to political disputes in the region, comments

regarding Kosovo's February 17 unilateral declaration of independence were notably absent. The Russian delegation complained sharply about the timeliness of paper distribution, a complaint echoed by the Greek delegation.

- 13. (SBU) The committee of senior officials meeting included a joint session with the BSEC parliamentary assembly (PABSEC), currently headed by Greek Parliamentary Speaker Dimitris Sioufas. Sioufas and Turkish Speaker of Parliament Koksal Toptan met February 26 in the first meeting ever between the Greek and Turkish speakers. Sioufas reportedly invited Toptan to attend the June 9-11 PABSEC assembly in Athens. The Toptan-Sioufas meeting follows the January 23 visit of Greek PM Costas Karamanlis to Turkey and received limited, positive coverage in the Turkish press.
- 14. (SBU) The senior officials agreed to forward to the Council of Ministers implementation modalities for "Fast Track" cooperation. If approved this would permit sub-groups consisting of at least six BSEC member states to cooperate on projects that do not encompass all 12 BSEC members. The senior officials also discussed in detail the Project Development Fund (PDF) Three-Year review Assessment Report but were unable to agree to require mandatory contributions from members to the PDF, a failure secretariat staff warned would threaten the sustainability of the PDF. The PDF is essentially a small grants making organization currently funded at approximately \$55,000 via voluntary contributions contribution from eight member states. The PDF offers small grants for scientific/research projects, which staff have attempted to link to income generating goals with limited success. There is a consensus that "project orientation" is desirable, but no agreement on how to achieve this goal.
- 15. (SBU) BSEC Secretary General Leonidas Chrysanthopoulos recommended that BSEC work to engage the EU on three levels: via the chairman in office, through the permanent secretariat and at the working group level. The European Commission is now a BSEC observer and has agreed to participate in Senior Officials meetings as well as some, but not all working groups. BSEC would like to see action on visas for truck drivers and business travelers from the EU on an institutional level, but the EU regards this as a bilateral issue.
- (SBU) The senior officials discussed BSEC's role in strengthening security and stability in the Black Sea region and concluded that progress had been made in recent years on a number of "soft security" issues including trafficking in persons, environmental protection and emergency response. The International Center for Black Sea Studies was tasked with preparing a review of progress in these areas for presentation to the next meeting of the Committee of Senior Officials. The Secretariat hopes to use this paper to publicize BSEC achievements in this area. A representative from the Black Sea Commission (BSC), the intergovernmental body established to implement the Bucharest Convention on the Protection of the Black Sea Against Pollution, encouraged closer coordination with the BSC on issues related to the protection and rehabilitation of the marine environment. Detailed discussion of this topic was referred to the March 18-20 meeting of the Working Group on Environmental Protection (Istanbul). Consulate Istanbul intends to observe this meeting.
- 17. (SBU) Secretary General Chrysanthopoulos noted the difficulties in implementing the Agreement on Collaboration in Emergency Assistance and Emergency Response in reaction to the summer 2007 wildfires in Greece and the November 2007 oil spill in the Kerch Strait. In both cases actions were bilateral, not multilateral, he argued and efforts should be made to raise member awareness. At the request of the Russian delegation all discussion of this topic was referred to the April 3 meeting of the Working Group on Emergency Response (Odessa).
- 18. (SBU) Comment. BSEC remains focused on process at least as much as content as evidenced by the two-hours plus of

discussion on modalities related to the PDF despite a clearly evident lack of consensus on how to maintain funding at a sustainable level (para 4). The Secretary General believes Russian hesitation to discuss emergency response as well as complaints regarding the timeliness of document distribution are a reaction to BSEC "moving faster than they are comfortable." The Russian delegation is typically large (three-four participants from Moscow plus local consulate staff) and well-briefed. The BSEC Secretariat appears to be struggling with some organizational aspects of meeting preparation, particularly the distribution in advance of hundreds of pages of proposed/annotated agendas, draft texts and other paperwork, but the Russian complaints seemed disproportionate. End Comment. OUDKIRK